H-4014.1	

## HOUSE BILL 2251

State of Washington 54th Legislature 1996 Regular Session

By Representatives Hargrove, Pelesky, McMahan, Thompson and Goldsmith

Read first time 01/08/96. Referred to Committee on Government Operations.

- AN ACT Relating to the use of public funds; amending RCW 42.17.130,
- 2 24.03.075, 36.32.350, and 36.47.040; adding a new section to chapter
- 3 42.17 RCW; adding a new section to chapter 43.09 RCW; and creating a
- 4 new section.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The Washington state Constitution prohibits the credit of the state or any political subdivision to be given or loaned to an individual, association, company, or corporation. 8 addition, the Public Disclosure Act forbids the use of public office or 9 10 agency facilities in election campaigns or for the promotion of or opposition to a ballot proposition. The legislature continues to 11 recognize the need to prohibit the use of public resources for private 12 13 purposes and to keep public funds and facilities removed from the 14 election process. The legislature also finds that it is imperative 15 that ballot propositions continue to be free from the direct or indirect influence of governmental or quasi-governmental organizations. 16 17 To promote these goals, and to avoid undue and improper influence that may arise between organizations in the private sector and public 18

agencies, the legislature intends to further restrict the expenditure

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- 1 of public agency moneys to ensure the impartiality of the election 2 process as guaranteed under the state Constitution.
- 3 **Sec. 2.** RCW 42.17.130 and 1979 ex.s. c 265 s 2 are each amended to 4 read as follows:
- 5 (1) No elective official nor any employee of his office nor any person appointed to or employed by any public office or agency may use 6 7 or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign 8 9 for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of public office or 10 agency include, but are not limited to, use of stationery, postage, 11 12 machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the 13 14 office or agency, and clientele lists of persons served by the office 15 or agency: PROVIDED, That the foregoing provisions of this section shall not apply to the following activities: 16
- (((1))) (a) Action taken at an open public meeting by members of an 17 18 elected legislative body to express a collective decision, or to 19 actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as  $((\frac{a}{a}))$  (i) any 20 21 required notice of the meeting includes the title and number of the 22 ballot proposition, and  $((\frac{b}{b}))$  (ii) members of the legislative body or 23 members of the public are afforded an approximately equal opportunity 24 for the expression of an opposing view;
- 25 ((<del>(2)</del>)) <u>(b)</u> A statement by an elected official in support of or in 26 opposition to any ballot proposition at an open press conference or in 27 response to a specific inquiry;
- $((\frac{3}{3}))$  (c) Activities which are part of the normal and regular conduct of the office or agency.
- (2) An agency may not disburse funds in the form of dues or membership fees to an entity that directly or indirectly uses a portion of the dues or membership fees for the support of or opposition to a
- 33 ballot proposition or campaign for public office. This subsection does
- 34 not apply to funds deducted from a public employee's pay and forwarded
- 35 to a bargaining representative under RCW 41.56.110.
- 36 **Sec. 3.** RCW 24.03.075 and 1986 c 240 s 14 are each amended to read 37 as follows:

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- Meetings of members may be held at such place, either within or without this state, as may be stated in or fixed in accordance with the bylaws. In the absence of any such provision, all meetings shall be held at the registered office of the corporation in this state.

  Meetings of a corporation that derives more than twenty-five percent of its gross income from dues or assessments from public funds are subject to chapter 42.30 RCW, the Open Public Meetings Act.
- An annual meeting of the members shall be held at such time as may be stated in or fixed in accordance with the bylaws. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the corporation.
- Special meetings of the members may be called by the president or 12 13 by the board of directors. Special meetings of the members may also be called by such other officers or persons or number or proportion of 14 15 members as may be provided in the articles of incorporation or the 16 In the absence of a provision fixing the number or proportion 17 of members entitled to call a meeting, a special meeting of members may be called by members having one-twentieth of the votes entitled to be 18 19 cast at such meeting.
- Except as may be otherwise restricted by the articles of incorporation or the bylaws, members of the corporation may participate in a meeting of members by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.
- NEW SECTION. Sec. 4. A new section is added to chapter 42.17 RCW to read as follows:
- A private corporation organized under Title 24 RCW that derives more than twenty-five percent of its gross income from dues or assessments from public funds may not make a contribution to or an expenditure on behalf of an election campaign.
- NEW SECTION. Sec. 5. A new section is added to chapter 43.09 RCW to read as follows:
- A private corporation organized under Title 24 RCW that derives more than twenty-five percent of its gross income from dues or assessments from public funds is considered to be a municipal

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- 1 corporation for the purposes of RCW 43.09.200 through 43.09.285. The
- 2 state auditor shall perform an annual audit of all such corporations.
- 3 **Sec. 6.** RCW 36.32.350 and 1991 c 363 s 59 are each amended to read 4 as follows:
- 5 County legislative authorities may designate the Washington state association of counties as a coordinating agency in the execution of 6 7 duties imposed by RCW 36.32.335 through 36.32.360 and reimburse the association from county current expense funds in the county legislative 8 9 authority's budget for the costs of any such services rendered. total of such reimbursements from a county in a calendar year shall not 10 exceed a sum equal to the amount that would be raised by a levy of one 11 hundred dollars per one thousand residents of the county. 12 Such reimbursement shall be paid on vouchers submitted to the county auditor 13 14 and approved by the county legislative authority in the manner provided 15 for the disbursement of other current expense funds and the vouchers 16 shall set forth the nature of the service rendered, supported by affidavit that the service has actually been performed. 17
- 18 **Sec. 7.** RCW 36.47.040 and 1991 c 363 s 71 are each amended to read 19 as follows:

20 Each county which designates the Washington state association of 21 county officials as the agency through which the duties imposed by RCW 22 36.47.020 may be executed is authorized to reimburse the association 23 from the county current expense fund for the cost of any such services 24 rendered: PROVIDED, That no reimbursement shall be made to the association for any expenses incurred under RCW 36.47.050 for travel, 25 meals, or lodging of such county officials, or their representatives at 26 27 such meetings, but such expenses may be paid by such official's 28 respective county as other expenses are paid for county business. Such 29 reimbursement shall be paid only on vouchers submitted to the county auditor and approved by the legislative authority of each county in the 30 manner provided for the disbursement of other current expense funds. 31 32 Each such voucher shall set forth the nature of the services rendered 33 by the association, supported by affidavit that the services were actually performed. The total of such reimbursements for a county in 34 35 a calendar year shall not exceed a sum equal to the amount that would

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- 1 be raised by a levy of one hundred dollars per one thousand residents
- 2 of the county.

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